

# **EXHIBIT JJ**

**SETTLEMENT AGREEMENT  
AND  
RELEASE**

This Settlement Agreement and Release ("Agreement"), effective as of the date it is fully executed, is entered into by and between Conopco, Inc., its predecessors, successors, and assigns, (hereinafter collectively referred to as "Conopco"); and National Union Fire Insurance Company of Pittsburgh, PA. (hereinafter "National Union") on behalf of itself and all of its officers, directors, partners, employees, agents, attorneys, predecessors, subsidiaries, affiliates, divisions, successors administrators and assigns.

**RECITALS**

WHEREAS, Conopco and the State of California are the current owners of contiguous parcels of real property which together make up lot 18 of the Specht Tract (formerly known as 2002 Huron Street) and lot 8 of the Idell Tract (commonly known as Lawry's California Center, 570 West Avenue 26) located in Los Angeles County, California (the "Property"); and

WHEREAS, Conopco undertook a site assessment of the Property in 1991 in preparation for a sale and discovered the presence of chromium and other hazardous substances in the soil and groundwater at the Property; and

WHEREAS, Conopco filed suit in the United States District Court for the Central District of California against previous owners and lessees of the Property in an action captioned *Conopco, Inc. v. The Flamemaster Corporation, et al.*, Case No. 94-0813-DT, and filed suit along with the State of California in the United States District Court for the Central District of California in an action captioned *People of the State of California ex rel Department of*

Transportation and Conopco v. Chromed Plating Company, et al., Case No. ED-CV-0135RT  
(the "Complaints"); and

WHEREAS, the Complaints allege that the actions of the defendants caused the contamination at the Property inasmuch as the defendants operated a chromium plating facility on the Property from 1946 until 1959; and

WHEREAS, Conopco and the State of California sought to hold defendants responsible for the costs of investigation and remediation of the soil and groundwater at the Property as required by law; and

WHEREAS, the defendants filed counterclaims against Conopco seeking contribution and/or indemnification with regard to the remediation alleging that after Conopco took possession of the Property, it engaged in certain businesses which contaminated or aggravated the alleged contamination of the Property and groundwater (the "Counterclaims"); and

WHEREAS, National Union issued a number of insurance policies to Conopco. These policies have been identified as follows:

<u>Policy Number</u>	<u>Effective Date</u>
GLA 9601595	11/01/84-11/01/85
RMCMGLA 1578819	11/01/85-07/01/87
RMGLA 4300942	07/01/87-07/01/88
73-482-86-C	06/30/86-06/30/88
CLM 3075601	11/01/87-11/01/88

(the "Policies"); and

WHEREAS, Conopco contends that the Counterclaims contain claims that fall within the scope of coverage under one or more of the Policies and, therefore, tendered the defense and

indemnity of the Counterclaims to National Union under one or more of the Policies (hereinafter referred to as "the Tender"); and

WHEREAS, National Union has advised Conopco that there may not be insurance coverage under the Policies; and

WHEREAS, National Union and Conopco desire to compromise, settle, and fully and finally resolve all disputes which now exist or which in the future may arise with respect to the Property and the availability of any insurance coverage under any of the Policies; and

WHEREAS, it is understood and agreed by National Union and Conopco that it is the object and intent of this Agreement to include and conclude any and all claims of potential involvement regarding personal or bodily injuries, property damage, investigation, remediation, defense, response or cleanup responsibility, indemnity, or contribution arising out of or in any way connected with the Property.

#### DEFINITIONS

For the purpose of this Agreement, "Environmental Claims" shall mean any demand, claim, suit, request for relief, action or forbearance of any kind, proceeding, and/or notices of partial or total responsibility made, asserted, threatened or filed against Conopco arising out of, with regard to or related to the Property, whether it is in law or in equity, and whether sounding in tort, contract, equity, nuisance, trespass, negligence, strict liability, or any statutory or common cause of action of any sort, involving alleged, actual, threatened or potential pollution, contamination, or other injurious environmental condition, or exposure to smoke, vapors, soot, fumes, acids, alkalies, toxic chemicals, liquids or gases, waste materials or other irritants, contaminants, or pollutants, or other injurious environmental condition, from any form of toxic,

hazardous or injurious substance or material, including without limitation, any "hazardous waste" as that term is defined in 42 U.S.C. § 9601 ("Injurious Agents"). Environmental Claims also include, without limitation, any liability, obligation, or other sums which the State of California has in the past, is now, or may in the future incur or become liable for, as a result of or arising out of any conditions at, or emanating from the Property.

AGREEMENT

NOW, THEREFORE, in consideration of the foregoing and the mutual promises and covenants set forth below, and for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Conopco and National Union mutually agree as follows:

1. Within thirty (30) days after execution and presentation of this Agreement by Conopco, National Union shall pay Conopco the total sum of \$57,000.00 (Fifty Seven Thousand Dollars), as full and complete settlement of all past, future, and potential claims, whether known or unknown, or to be subsequently discovered or to subsequently occur for insurance coverage under the Policies including all claims for defense and indemnity, arising out of or in any way connected with Environmental Claims.
2. Conopco does hereby fully release, remise, and forever discharge National Union and its predecessors, successors, assigns, parent corporations, subsidiaries, affiliates, sister companies, and agents, and the officers, directors, employees, agents, shareholders and representatives of any of them from any and all present and future claims, suits, controversies, matters, liabilities, obligations, actions, causes of action, rights and demands of every kind and nature whether in law or in equity, wherever and whenever arising, whether known or unknown, fixed or unliquidated, conditional or contingent, which previously accrued, currently exist, or

subsequently accrue, involving, related to or with regard to any and all actual or threatened Environmental Claims. This release is contingent upon receipt of payment by Conopco pursuant to paragraph 1 above.

3. Conopco agrees to defend National Union from and against any demand, claim, suit, or request for relief, action, or forbearance of any kind against National Union asserting liability, responsibility, indebtedness or obligation under or with respect to the Policies which are released under this Agreement. The obligation to defend shall include, without limitation, legal fees, litigation expenses and costs, and investigative expenses and costs, and shall extend to all aspects of the defense, including, without limitation, any challenge to the effect and validity of this Agreement.

4. Conopco also agrees to indemnify and hold harmless National Union with respect to the matters released hereunder from and against any judgment, liability or indebtedness to any person or entity claiming entitlement to offset, payment, benefits, credit or coverage under or with respect to the Policies, including, but not limited to, (a) claims to be an insured under one or more of the Policies, (b) direct actions or claims of or actions for legal or equitable assignment, subrogation, contribution, indemnification, garnishment, or attachment, or (c) claims of entitlement to rights, proceeds, or benefits under one or more of the Policies.

5. The agreement to defend, indemnify, and hold harmless also expressly includes, but is not limited to, demands, claims, suits or requests for relief, action, or forbearance of any kind by other insurers of Conopco against National Union.

6. Nothing contained in this Agreement shall be construed as an admission of any kind by either Conopco or National Union. In particular, but not by way of limitation, nothing

contained in this Agreement shall constitute an admission by National Union that Conopco is entitled to any insurance coverage in connection with the Environmental Claims, the Property, the Complaints, or under any alleged policy of insurance issued by National Union to Conopco, or that Conopco is or will be entitled to such coverage in the event that it is subject to further suit or demands arising out of Environmental Claims.

7. This Agreement is for the sole and exclusive benefit of National Union, and Conopco and of no one else, and National Union and Conopco hereby expressly reserve all of their rights and causes of action against every other person, firm, corporation, and association which may be liable to Conopco for costs associated with the Environmental Claims, the Property, and the Complaints.

8. Conopco waives any claim or causes of action against National Union (or its agents, representatives, or employees) for bad faith, breach of contract, breach of duty, or punitive, exemplary or extra-contractual damages of any type existing from, connected with, or in any way relating to the Environmental Claims, the Property, the Complaints, or the Policies. The parties further waive any and all claims for punitive or exemplary damages relating to any dispute which might arise regarding the terms or implementation of this Agreement.

9. As a condition for the release obtained herein, National Union hereby waives any and all subrogation, contribution, and indemnification rights it may have under the Policies for Environmental Claims which arise out of or relate in any way to the Property, the Complaints, or the Counterclaims, provided that Conopco has entered into a similar agreement with all other carriers of Conopco and which agreement contains a waiver of subrogation, contribution, and indemnification rights effectively the same as the waiver herein.

10. Conopco and National Union acknowledge that they are familiar with the provisions of California Civil Code Section 1542, which provides as follows:

A general release does not extend to claims which the creditor does not know or suspect to exist in his favor at the time of executing the release, which if known by him must have materially affected his settlement with the debtor.

Being aware of said Code section, Conopco and National Union hereby expressly waive any rights they may have thereunder, as well as under other statutes or common law principles of any other state or jurisdiction of similar effect.

11. Conopco and National Union acknowledge and agree that the terms and conditions of this Agreement shall remain confidential and shall not be disclosed to any person or firm except as may be required by law.

12. The signatories represent and warrant that they have the requisite power and authority to execute and deliver this Agreement on behalf of Conopco and National Union.

13. This Agreement is entered into and shall be construed and interpreted in accordance with the laws of the State of California.

14. In the event that any of the provisions or portions of this Agreement are determined to be unenforceable or invalid for any reason, the validity of the remaining provisions or portions of this Agreement shall not be affected and they shall remain enforceable to the fullest extent permitted by law.

15. The parties agree that this Agreement reflects the joint drafting efforts of all parties. In the event any dispute, disagreement or controversy arises regarding this Agreement, the parties shall be considered joint authors and no provision shall be interpreted against any

Party because of authorship. Each party also agrees that it is fully informed as to the meaning and intent of this Settlement Agreement and Release and has been advised by independent counsel of its choosing in that regard.

16. This Agreement may be executed in counterparts, each of which shall be deemed an original, but which together shall constitute one and the same instrument.

IN WITNESS WHEREOF, the parties have executed this Settlement Agreement and Release the date shown below:

CONOPCO, INC.

By: Arnold I. Friede

Arnold I. Friede

Vice President and General Counsel

AIGTS on behalf of  
NATIONAL UNION FIRE INSURANCE  
CO. OF PITTSBURGH, PA

By: M. Claims Julian

M. Claims Julian,

Home Office Supervisor

Environmental Claims

Dated: 2/27/97

Dated: 11/6/96